

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Lee Price
Larry D. Lisenbee

SUBJECT: SEE BELOW

DATE: April 29, 2005

Approved: _____

Date: _____

4/29/05

COUNCIL DISTRICT: City-Wide

SUBJECT: Adoption of appropriation amendments in the General Fund to provide an additional \$15,000 for a total of \$65,000 for expenses related to the independent investigation of former Council Member Terry Gregory.

RECOMMENDATION

It is recommended that the City Council adopt the following appropriation ordinance amendments in the General Fund:

1. Increase the City-wide Expenses appropriation to the City Clerk's Office in the amount of \$15,000.
2. Decrease the Contingency Reserve by \$15,000.

BACKGROUND

At its November 9, 2004 meeting, the City Council authorized the Mayor to hire an independent investigator to look into allegations against Council Member Gregory including possible illegal or improper conduct, violations of the City's gift ordinance, violations of Council policies and ethics standards, and creation of a hostile work environment. The City Council adopted Ordinance No. 27278 which appropriated \$50,000 for the independent investigation.

ANALYSIS

The City entered into a \$50,000 agreement with Duane Morris, LLP effective November 29, 2004, to conduct an investigation of the above allegations. The investigation has concluded and a final report has been provided to the City Council. The total amount due to Duane Morris, LLP is \$58,500. In addition, it was necessary for the Office of the City Clerk to hire a court reporting service to provide transcripts of the hearings before City Council and the Blue Ribbon Task Force on Ethics. Those services cost \$6,500, bringing the total cost of the investigation to \$65,000.

OUTCOMES

Execution of an amendment to the agreement with independent investigator Duane Morris, LLP, and appropriation of adequate funding for expenses related to the independent investigation, including court reporting services.

PUBLIC OUTREACH

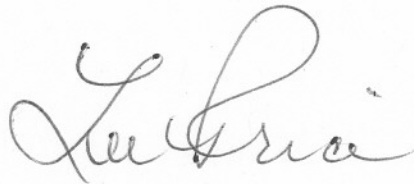
Not applicable.

COORDINATION

This report has been coordinated with the Office of the City Attorney and the Mayor's Budget and Policy Office.

CEQA

Not a project.



LEE PRICE, CMC
City Clerk



LARRY D. LISENBEE
Budget Director

